

**ORDINANCE NO 5655**

AN ORDINANCE AMENDING THE CODE OF THE CITY OF ALTOONA TO ADD A NEW CHAPTER 647 TO BE ENTITLED "LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE" AND PURSUANT TO THE LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE ACT SAID ORDINANCE WILL ESTABLISH TAX EXEMPTIONS FOR REAL PROPERTY LOCATED WITHIN DETERIORATED AREAS OF THE CITY DESIGNATED BY CITY COUNCIL, SPECIFICALLY FOR PURPOSES OF THIS ORDINANCE, CERTAIN PARTS OF THE DOWNTOWN SECTION OF THE CITY; PROVIDING FOR THE IMPLEMENTATION THEREOF, INCLUDING THE CONTINGENCY OF ADOPTION OF CONCURRENT LEGISLATION BY THE COUNTY OF BLAIR AND THE ALTOONA AREA SCHOOL DISTRICT.

WHEREAS, the City of Altoona ("City") has expressed its support for a tax exemption program pursuant to the Local Economic Revitalization Tax Assistance Act, Act of December 1, 1977, P.L. 237, 72 P.S. 4722; and

WHEREAS, there are certain deteriorated areas, as that term is defined by the aforesaid statute, existing within the City; and

WHEREAS, the City Council believes that it is in the best interests of the City to provide tax incentives for the rehabilitation and development of qualified business property, thereby encouraging revitalization and development of these areas to the benefit of all concerned.

The Code of the City of Altoona is hereby amended to add a new Chapter 647, to be entitled "Local Economic Revitalization Tax Assistance", as hereinafter set forth as follows:

**CHAPTER 647**

**LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE**

**SECTION 647-1: DEFINTIONS**

For the purposes of this Ordinance, the following words and phrases shall have the meaning set forth below:

A. Deteriorated area means an area within the corporate limits of the City of Altoona which, by action of the governing municipality and pursuant to public hearing, has been determined to meet one or more criteria for the designation of such areas as set forth in Pennsylvania Act No. 76 of 1977 (72 P.S. 4722 et seq.), as amended.

B. Business property means an industrial, commercial or other business property owned by an individual, association or corporation and shall include, but not be limited to, any portion of a property utilized for industrial, commercial or other business use; business property may include all or a portion of a property utilized as dwelling units and/or commercial use, as more particularly defined by the appropriate municipality; it may also include vacant land within a designated deteriorated area, but not land principally utilized as surface parking facilities.

C. Deteriorated business property means any business property located in a deteriorated area, or any such property which has been the subject of an order by a government

agency requiring the unit to be vacated, condemned or demolished by reason of noncompliance with laws, ordinances or regulations.

D. Business improvement means repair, new construction or reconstruction of any deteriorated business property, including alternations and additions, having the effect of rehabilitating a deteriorated business property so that it becomes habitable or attains higher standards of health, economic use or amenity, or is brought into compliance with laws, ordinances or regulations governing such standards; provided, however, that ordinary upkeep and maintenance shall not be deemed a business improvement; new construction or erection of a structure as business property upon vacant land within a designated deteriorated area shall be deemed a business improvement.

#### SECTION 647- 2: EXEMPTION SCHEDULES

A. In each deteriorated area so designated as provided for herein, business improvements shall be exempted from the City of Altoona real property taxes as further provided for hereinafter, in accordance with the following schedule and related conditions.

- 1) For the first fiscal year for which improvements would otherwise be taxable, one hundred (100%) percent of the eligible assessment shall be exempted;
- 2) For the second fiscal year eighty (80%) percent; 3) for the third fiscal year sixty (60%) percent; 4) for the fourth fiscal year forty (40%) percent; 5) for the fifth fiscal year twenty (20%) percent; and 6) after the fifth fiscal year, the exemption shall terminate.

B. The exemption from real property taxes granted pursuant to the provisions hereof shall be upon the property exempted and shall not terminate upon the sale or exchange of the property.

C. If an eligible property is granted a tax exemption pursuant to the provisions hereof, the improvements shall not, during the exemption period, be considered as a factor in assessing other properties.

#### SECTION 647- 3: EXEMPTION AMOUNTS

A. In the case of business improvements, exemption from the City of Altoona real property taxes upon completion shall be limited to the additional assessment valuation attributable to the actual cost of improvements.

B. In no case shall any tax exemption be granted pursuant to the provisions hereof if the property owner has not secured or does not secure the necessary and proper zoning, building, health, housing, electrical, plumbing or the required permits prior to initiating the business improvement work.

#### SECTION 647- 4: APPLICATION PROCEDURES

A. The taxpayer shall apply for the exemption at the time of obtaining a building permit, or if no building permit is required, at the time of commencement of construction, and shall comply with the procedures established by the City of Altoona.

B. Application to the City of Altoona shall be made on a form supplied by the City, which form shall contain the following information:

- 1) The date the building or alteration permit was issued for said improvements;
- 2) The type of improvements;
- 3) The summary of the plan of the improvement;
- 4) The cost of the improvement;
- 5) That the property has been inspected and verified by the designated municipal official;
- 6) Such additional information as may be required by the City for the purpose of implementing the provisions hereof.

C. Pursuant to compliance with the procedures specified herein, the City shall forward a copy of each exemption request to the Blair County Assessor of Taxes.

D. Upon completion of the business improvement, the taxpayer shall provide the City and the Blair County Assessor of Taxes with a Certificate of Completion issued by the owner, or an independent architect or professional engineer, so that the assessor may assess the improvements separately for the purpose of calculating the amount of assessment eligible for tax exemption in accordance with the limits established herein. In the absence of said Certificate, the Blair County Assessor may determine the date of completion.

E. The Treasurer of the County of Blair shall then obtain from the Blair County Chief Assessor the amount of the assessment eligible for exemption and shall notify the taxpayer in accordance with County ordinances and procedures. The Treasurer of the County of Blair is authorized to make refunds, if applicable, only after the Blair County Assessor of Taxes has notified the Treasurer of its separate assessment upon the improvement for which an exemption is requested. Appeals from the reassessment and the amount eligible for the exemption may be taken by the taxpayer as provided by law.

**SECTION 647-5: ELIGIBLE AREAS**

A. The local municipality shall make the determination as to the eligible areas that qualify and are hereby designated as deteriorated areas. These areas are described as follows:

See Attached Legal Description and Map - Downtown LERTA -Exhibit "A" - Exemption Schedule as per Section 647-2(A).

B. It is hereby agreed by that any land and areas determined and designated as deteriorated areas by the appropriate municipalities will be accepted as such by the Altoona Area School District, the City of Altoona, and the County of Blair.

**SECTION 647- 6: TERMINATION**

Unless otherwise repealed or extended by the City of Altoona, this Ordinance shall terminate on December 31, 2019. Any property tax exemptions granted under the provisions of this Ordinance shall be permitted to continue according to the exemption schedule established pursuant to the provisions hereof, even if this Ordinance expires or is repealed or amended.

**SECTION 647- 7: SEVERABILITY**

The provisions of this Resolution are severable and if any of its sections, clauses or sentences shall be held illegal, invalid or unconstitutional, such provisions shall not affect or impair any of the remaining sections, clauses or sentences. It is hereby declared to be the intent of the City of Altoona that this Ordinance would have been adopted if such illegal, invalid or unconstitutional section, clause or sentence had not been included herein.

**SECTION 647- 8: REPEALER**

All ordinances or parts of ordinances inconsistent herewith are hereby repealed to the extent of the inconsistency.

**SECTION 647- 9: CONTINGENCY**

Notwithstanding any other provisions for this Ordinance, this Ordinance shall remain in full force and effect conditioned upon the appropriate municipalities enacting ordinances or resolutions establishing deteriorated areas and providing exemptions. Should the appropriate municipalities fail to enact or maintain such legislation, this Resolution shall be considered to have been ineffective as to them.

**SECTION 647-10: EFFECTIVE DATE**

This Ordinance shall take effect in accordance with the provisions of the law and shall thereafter remain in effect subject to the conditions herein stated, unless repealed, until December 31, 2019.

ADOPTED as an Ordinance of the City of Altoona, Blair County, Commonwealth of Pennsylvania, at a meeting of the City Council held on the 10th day of December, 2014.

CITY OF ALTOONA

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Matthew Pacifico, Mayor

ATTEST:

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Linda Rickens Schellhammer, City Clerk